



PSC NEWS

Missouri Public Service Commission

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PSC Approves AmerenUE Request To Transfer Metro East Assets To AmerenCIPS

JEFFERSON CITY--The Missouri Public Service Commission has approved the transfer of the Metro East, Illinois electric and gas operations of AmerenUE to an affiliated Ameren company, Central Illinois Public Service Company (AmerenCIPS). The Commission did adopt several conditions for the transfer designed to protect AmerenUE's Missouri ratepayers against any possible liabilities resulting from the transfer.

The transaction would transfer to AmerenCIPS, natural gas operations in Illinois as well as the electric transmission and distribution operations (including all electric customers) of AmerenUE in Illinois. The AmerenUE electric generating facilities located in Illinois would be retained by AmerenUE to provide electric service to Missouri.

Once the transfer is completed, the transaction will result in AmerenUE operating solely in Missouri and subject to Missouri PSC jurisdiction.

Key conditions of the transfer include:

- AmerenUE and AmerenCIPS must amend their agreement to allocate all electric off-system sales revenues on the basis of generation rather than load.
- Recognizing that the transmission assets used to transmit power from the AmerenUE Illinois generating facilities to Missouri customers will be transferred to AmerenCIPS, the Commission determined AmerenUE would not be permitted to recover, in retail rates, any transmission costs associated with the transfer of these transmission facilities.
- AmerenUE will continue to make all contributions to the nuclear decommissioning fund that were previously provided by AmerenUE's Illinois electric ratepayers.
- If the transfer results in increased costs to Missouri from liabilities from the Illinois assets, the Commission will require AmerenUE shareholders to bear those costs unless AmerenUE can prove that the benefits from the transfer outweigh those costs.

AmerenUE serves approximately 1.1 million electric customers in Missouri.